CLASSIFICATION CONFIDENTIAL Approved For Release 2001/03/22 : CIA-RDP82-00457R001900 CENTRAL INTELLIGENCE AGENCY REPORT NO

INFORMATION REPORT

COUNTRY

Germany (Russian Zone)

DATE DISTR.

13 October 1948

SUBJECT

Reparations Deliveries of State-owned Metal

NO. OF PAGES 1

Industries in Saxony

25X1C

25810

NO. OF ENCLS. (LISTED BELOW)

PLACE ACQUIRED

25X1A

SUPPLEMENT TO REPORT NO.

DATE OF INFO

25X1X 1. The state-owned metal industries (Volkseigene Betriebe MEWA), consisting chiefly

25X1A

The state-owned metal industries (Volkseigene Betriebe MEWA), consisting chiefly of twenty-three of the largest metal industries in Saxony, were assigned a reparations program under which they were to deliver approximately eight million Tiger Emaillier u. Stanzwerke, and the Gaithainer Stanz u. marks short of their quota.

Several arms factories in Suhl have been ordered to make up this deficit by delivering the equivalent in sport weapons.

2. The Russians demand that the prices for the products of the state-owned metal industries correspond to those current in 1944, Land Sachsen is required to reimburse the firms for the difference between these prices and the 1948 costs of production, although no mention is made of this reimbursement in reparations figures. The 1944 prices stipulated are inland prices, and in many cases this is an additional burden, since the Russians demand that production items be sea-packed for export. A basic rebate of 35% is now in effect; these industries are at present appealing to the SMA Karlshorst to avoid a 10% service regate and a 10% wholesale rebate which the Russians plan to impose.

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